

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

14

DECISION

TOPIC Notice of Intended Action: Chapters 28, Update to Ambient Air Quality Standards

The Department is requesting permission from the Commission to proceed with the rulemaking process and publish a Notice of Intended Action to amend Chapter 28 "Ambient Air Quality Standards" of the 567 Iowa Administrative Code.

The purpose of the proposed rule change is to adopt into the state air quality rules revisions to federal ambient air quality standards that were finalized by EPA on October 17, 2006.

These revisions addressed fine particulate matter, which is 2.5 micrometers in diameter and smaller (PM2.5), and inhalable coarse particulate matter which is 10 micrometers and smaller in diameter (PM10). EPA strengthened the 24-hour PM2.5 standard from the 1997 level of 65 micrograms per cubic meter of air to 35 micrograms per cubic meter of air, and retained the current annual PM2.5 standard at 15 micrograms per cubic meter of air. EPA also retained the existing 24-hour PM10 standard of 150 micrograms per cubic meter of air but revoked the annual PM10 standard.

The department will be required to make PM2.5 attainment or nonattainment designations by November 2007. EPA will review the department's designations and make its own PM2.5 designations by November 2009. The EPA designations will become final in April 2010. The PM10 standard is currently being attained statewide and no redesignations will be necessary.

The department is proposing this rule change at this time to allow air construction permitting and air dispersion modeling staff to modify their review procedures for PM10. Because EPA revoked the annual PM10 standard, it is no longer necessary to conduct dispersion modeling or set construction permit limits for this standard. Iowa statute does not allow state air quality rules to be more stringent than federal regulations.

A public hearing will be held on March 5, 2007, at 1:00 p.m. in the department's Air Quality Bureau conference rooms. Comments may be submitted orally or in writing at the public hearing. All comments must be received no later than March 9, 2007.

An administrative rules fiscal impact statement is attached.

Jim McGraw
Environmental Program Supervisor
Program Development Section, Air Quality Bureau

ENVIRONMENTAL PROTECTION COMMISSION [567]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 455B.133(3), the Environmental Protection Commission hereby gives Notice of Intended Action to amend Chapter 28, "Ambient Air Quality Standards" of the Iowa Administrative Code.

The purpose of the proposed rule change is to adopt into the state air quality rules revisions made by the U.S. Environmental Protection Agency (EPA) to federal ambient air quality standards for particulate matter.

The proposed rule change amends rule 567—28.1 (455B), by citing the federal register notice and corresponding federal register page numbers and promulgation date for the revisions made by EPA to the national primary and secondary ambient air quality standards, as published in 40 Code of Federal Regulations (CFR) Part 50, on October 17, 2006.

These revisions addressed fine particulate matter 2.5 micrometers in diameter and smaller (PM_{2.5}), and inhalable coarse particulate matter which is 10 micrometers and smaller in diameter (PM₁₀). EPA strengthened the 24-hour PM_{2.5} standard from the 1997 level of 65 micrograms per cubic meter of air to 35 micrograms per cubic meter of air, and retained the current annual PM_{2.5} standard at 15 micrograms per cubic meter of air. EPA also retained the existing 24-hour PM₁₀ standard of 150 micrograms per cubic meter of air but revoked the annual PM₁₀ standard.

The department will be required to make PM_{2.5} attainment or nonattainment designations by November 2007. EPA will review the department's designations and make its own PM_{2.5} designations by November 2009. The EPA designations will become final in April

2010. The PM10 standard is currently being attained statewide and no redesignations will be necessary.

The department is proposing this rule change at this time to allow the department's air construction permitting and air dispersion modeling staff to modify their review procedures for PM10. Because EPA revoked the annual PM10 standard, it is not longer necessary to conduct air dispersion modeling or set air construction permit limits for this standard. Iowa statute does not allow state air quality rules to be more stringent than federal regulations.

Any person may make written suggestions or comments on the proposed amendments on or before March 9, 2007. Written comments should be directed to Jim McGraw, Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Urbandale, Iowa 50322; fax (515) 242-5094; or by electronic mail to jim.mcgraw@dnr.state.ia.us.

A public hearing will be held on March 5, 2007, at 1:00 p.m. in the conference rooms at the Department's Air Quality Bureau located at 7900 Hickman Road, Urbandale, Iowa. Comments may be submitted orally or in writing at the public hearing. All comments must be received no later than March 9, 2007.

Any person who intends to attend the public hearing and has special requirements such as those related to hearing or mobility impairments should contact Jim McGraw at (515) 242-5167 to advise of any specific needs.

This amendment is intended to implement Iowa Code section 455B.133.

The following amendment is proposed.

Amend rule 567—28.1(455B) as follows:

567—28.1(455B) Statewide standards. The state of Iowa ambient air quality standards shall be the National Primary and Secondary Ambient Air Quality Standards as published in 40 Code of Federal Regulations Part 50 (1972) and as amended at 38 Federal Register 22384 (September 14, 1973), 43 Federal Register 46258 (October 5, 1978), 44 Federal Register 8202, 8220 (February 9, 1979), 52 Federal Register 24634-24669 (July 1, 1987), ~~and~~ 62 Federal Register 38651-38760, 38855-38896 (July 18, 1997), and 71 Federal Register 61144-61233 (October 17, 2006). The department shall implement these rules in a time frame and schedule consistent with implementation schedules in federal laws, regulations and guidance documents. This rule is intended to implement Iowa Code section 455B.133.

Date

Jeffrey R. Vonk, Director

Administrative Rule Fiscal Impact Statement

Date: December 7, 2006

Agency: Natural Resources

IAC Citation: 567 IAC Chapter 28.1

Rules Contact: Anne Preziosi

Summary of the Rule: The purpose of the proposed rule change is to adopt into the state air quality rules revisions to federal ambient air quality standards that were finalized by EPA on October 17, 2006. These revisions addressed fine particulate matter, which is 2.5 micrometers in diameter and smaller (PM_{2.5}), and inhalable coarse particulate matter which is 10 micrometers and smaller in diameter (PM₁₀). EPA strengthened the 24-hour PM_{2.5} standard from the 1997 level of 65 micrograms per cubic meter of air to 35 micrograms per cubic meter of air. EPA also retained the existing 24-hour PM₁₀ standard of 150 micrograms per cubic meter of air but revoked the annual PM₁₀ standard.

Fill in this box if the impact meets these criteria:

☒ No Fiscal Impact to the State.

☐ Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.

☐ Fiscal Impact cannot be determined.

Brief Explanation:

There will be no change in state revenues or expenditures as a result of this rule.

Fill in the form below if the impact does not fit the criteria above:

☐ Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

* Fill in the rest of the Fiscal Impact Statement form.

Assumptions:

Describe how estimates were derived:

Estimated Impact to the State by Fiscal Year

	<u>Year 1 (FY)</u>	<u>Year 2 (FY)</u>
Revenue by Each Source:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
TOTAL REVENUE	_____	_____
Expenditures:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
TOTAL EXPENDITURES	_____	_____
NET IMPACT		

 X This rule is required by State law or Federal mandate.

Please identify the state or federal law:

Iowa Code 455B.133(3) and Clean Air Act sections 108 and 109

 Funding has been provided for the rule change.

Please identify the amount provided and the funding source:

 X Funding has not been provided for the rule.

Please explain how the agency will pay for the rule change:

The agency currently implements the national ambient air quality standards for particulate matter. Additional revenue to implement the modified standards is not needed at this time.

Fiscal impact to persons affected by the rule:

The federal ambient air quality standards for particulate matter apply across the state whether or not the state incorporates these federal standards into the Iowa Administrative Code. The state is required to adopt and implement the federal ambient air quality standards through the state implementation plan.

Regarding PM2.5, it is possible that some areas of the state may be found through ambient air monitoring to be in non-attainment of the PM2.5 standard. The state will be required to develop and implement an emissions reduction plan to bring the areas of monitored PM2.5 non-attainment back into attainment with the PM2.5 standard. A declaration of non-attainment will adversely impact economic development in the non-attainment area. Non-attainment would lead to increased business costs, less likelihood of investment by new or expanding facilities, and a compromised economic climate for business growth.

There is no standard cost of non-attainment. The cost to the area is based on the extent of the non-attainment and the emissions reductions plan. New facilities would be required to install more stringent emissions controls than before. Existing facilities would need to reduce emissions to provide offsets for new sources and for any planned expansions that would increase emissions. Emissions may also need to be reduced in nearby areas that contribute to non-attainment area. Consumers and residents in the non-attainment area could experience an increase in costs due to the increased regulatory burden.

For PM10, adoption of this rule will negate the need to set construction permit limits for the annual PM10 standard. This will result in some time and cost savings for the regulated public due to the elimination of recordkeeping requirements for permit conditions established to protect the annual standard.

Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):

Counties or local governments may be economically impacted if some areas of the state are found to be in non-attainment of the PM2.5 standard. The extent of the impact can not be determined at this time.

* If additional explanation is needed, please attach extra pages.

Agency Representative preparing estimate: Jim McGraw

Telephone Number:515-242-5167